

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

STANFORD INTERNATIONAL BANK,  
LTD., et al.,

Defendants.

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CASE NO. 3-09-CV0298-N

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**STEVEN W GLASGOW, NORMAN BLAKE, JULIAN BRADHAM, AND LOUIS  
SCHAUFLE'S MOTION TO JOIN DEFENDANT PENDERGEST-HOLT'S  
EXPEDITED MOTION FOR CLARIFICATION THAT RECEIVERSHIP ORDER DOES  
NOT APPLY TO D&O POLICY PROCEEDS, OR, ALTERNATIVELY, FOR  
AUTHORIZATION OF DISBURSEMENT OF D&O POLICY PROCEEDS**

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TO THE HONORABLE COURT:

Steven W. Glasgow ("Glasgow"), Norman Blake ("Blake"), Julian Bradham ("Bradham"), and Louis Schaufele ("Schaufele") ("Movants") respectfully move this Court for an order permitting them to join Defendant Laura Pendergest-Holt's Expedited Motion for Clarification that Receivership Order Does Not Apply to D&O Policy Proceeds, or, Alternatively, for Authorization of Disbursement of D&O Proceeds ("Pendergest-Holt Motion"). In support thereof, Movants respectfully set forth as follows:

1. Movants were employed by defendant Stanford Group Company ("SGC") as financial advisors.

2. Movants have not been charged with any crime and have not been accused of violating any civil or regulatory statutes or rules. Movants are named as purported relief defendants in Receiver's Complaint Naming Stanford Financial Group Advisors as Relief Defendants.

3. Movants' positions as former SGC financial advisors makes them insureds under the D&O Policies as defined in Pendergest-Holt's Motion.

4. Movants retained counsel with the prospect that counsel would be compensated from the proceeds of the D&O Policies.

5. Movants have properly made a claim for the cost of legal representation under the D&O Policies.

6. By letter dated June 25, 2009, counsel for the underwriters informed counsel for Movants that it agreed to pay for the reasonable legal representation expenses incurred under a reservation of rights, but advised that no payments would be made under the D&O Policies at this time pursuant to the Receiver's claim that policy proceeds are estate assets.

7. The Receiver has already taken many actions which have limited Movants' ability to afford counsel to defend them from the Receiver's claims. First, the Receiver froze their life's savings – and the life's savings of their clients. Next, the Receiver summarily shut down Stanford Group and fired the FAs and thousands of employees. Even worse, the Receiver prevented the FAs' once loyal clients from following them to their new places of employment by freezing their accounts. Now the Receiver wants to take away Movants' right to have the cost of their defense paid by the D&O Policies.

8. Movants are, as the Receiver judicially admits, innocent parties. (Amended Complaint ¶¶ 54-60, Doc. 48).

9. On June 30, 2009, Pendergest-Holt filed her motion contesting the Receiver's claim that policy proceeds are exclusively estate assets. A number of other parties have sought to join this motion and the issues presented have been fully briefed.

10. As insureds under the Insurance Policies, Movants' interest in the outcome of the Pendergest-Holt Motion involves common questions of law and fact relative to other insureds affected by the outcome of the Pendergest-Holt Motion.

11. Movants joinder will not result in any delay or prejudice in resolving the Pendergest-Holt Motion.

WHEREFORE, Movants respectfully move this Court to allow them to join the Pendergest-Holt Motion and for the Court to determine priority of paying defense costs from the D&O Policies in fair and equitable manner.

Respectfully submitted,

/s/Jason W. Graham

Jason W. Graham  
Georgia Bar No. 304595  
Eric L. Jensen  
Georgia Bar No. 391259  
Attorneys for Movants

Graham & Penman, LLP  
2989 Piedmont Road NE, Suite 200  
Atlanta, Georgia 30305  
E-Mail: [jason@grahamandpenman.com](mailto:jason@grahamandpenman.com)  
Telephone: (404) 842-9380  
Facsimile: (678) 904-3110

/s/ Robert L. Wright  
Robert L. Wright  
Texas Bar No. 22054300  
Attorneys for Movants

Robert L. Wright, P.C.  
612 Eighth Avenue  
Fort Worth, Texas 76104  
E-Mail: [rwright@rlwpc.com](mailto:rwright@rlwpc.com)  
817.850.0082 (Direct Dial)  
817.870.9101 (Fax)

**CERTIFICATE OF SERVICE**

I hereby certify that this document filed through the ECF system will be sent electronically to the registered participants as identified on the Notice of Electronic Filing and paper copies will be sent those indicated as non-registered participants on August 26<sup>th</sup> 2009.

/s/ Robert L. Wright  
Robert L. Wright